House Amendment to Senate File 2374

S-5124

- 1 Amend Senate File 2374, as amended, passed, and reprinted by
- 2 the Senate, as follows:
- 3 1. Page 67, by striking line 20 and inserting <special class
- 4 "C", or class "D" liquor control, or>
- 5 2. Page 68, by striking line 14 and inserting <"C", special
- 6 class "C", or class "D" liquor control,>
- 7 3. Page 68, line 31, by striking < special class "C", and
- 8 inserting <special class "C">
- 9 4. Page 68, line 32, by striking <class "E",>
- 10 5. Page 70, line 7, by striking < special class "C", and
- 11 inserting <special class "C",>
- 12 6. Page 70, line 8, by striking <class "E",>
- 7. Page 70, line 21, by striking < special class "C", and
- 14 inserting <special class "C",>
- 8. Page 70, line 22, by striking <class "E",>
- 9. Page 71, after line 18 by inserting:
- 17 < DIVISION
- 18 RESTAURANT FOOD DELIVERY
- 19 Sec. . NEW SECTION. 137G.1 Definitions.
- 20 As used in this chapter, unless the context otherwise
- 21 requires:
- 22 1. "Consent" means a mutual acknowledgment by a restaurant
- 23 and a food delivery platform, which may be obtained
- 24 electronically.
- 25 2. "Food delivery platform" or "platform" means a business
- 26 that acts as a third-party intermediary by taking and arranging
- 27 for the delivery or pickup of orders from multiple restaurants
- 28 for consumers, not including delivery or pickup orders placed
- 29 directly with, and fulfilled by, a restaurant. "Food delivery
- 30 platform" does not include websites, mobile applications, or
- 31 other electronic services that do not post restaurant menus,
- 32 logos, or pricing information on the platform.
- 33 3. "Likeness" means a mark or trade name.
- 34 4. "Mark" means a trademark or service mark, regardless of
- 35 whether the trademark or service mark is actually registered

- 1 with the state or other entity.
- 2 5. "Restaurant" means a business in the state that operates
- 3 its own permanent food service facilities with commercial
- 4 cooking equipment on its premises and prepares and offers to
- 5 sell multiple entrees for consumption on or off the premises.
- 6. "Trade name" means a name used by a person or entity to 7 identify a person or entity's vocation.
- 8 Sec. ___. NEW SECTION. 137G.2 Restaurant and food delivery 9 platform requirements penalties.
- 10 1. A food delivery platform shall be prohibited from all of 11 the following:
- 12 a. Using a restaurant's likeness without the consent of the
- 13 restaurant owner or the owner's designee in a manner that could
- 14 be reasonably interpreted to falsely suggest sponsorship or
- 15 endorsement by the restaurant.
- 16 b. Taking and arranging for the delivery or pickup of an
- 17 order from a restaurant without the consent of the restaurant
- 18 owner or the owner's designee.
- 19 c. Intentionally inflating or altering a restaurant's
- 20 pricing without the consent of the restaurant owner or the
- 21 owner's designee, except that a food delivery platform may
- 22 charge additional fees to the consumer if the fees are noted
- 23 separately to the consumer.
- 24 d. Attempting to charge a restaurant, or expecting the
- 25 restaurant to pay or absorb any fee, commission, or charge
- 26 without the consent of the restaurant owner or the owner's
- 27 designee.
- 28 2. A food delivery platform shall do all of the following:
- 29 a. Clearly provide to the consumer a mechanism to express
- 30 concerns regarding an order directly to the food delivery
- 31 platform.
- 32 b. Remove a restaurant from the food delivery platform's
- 33 services within ten days of receiving the restaurant's request
- 34 for removal unless an agreement between the food delivery
- 35 platform and the restaurant states otherwise.

- 3. An agreement between a food delivery platform and a
 2 restaurant to take and arrange for the delivery or pickup of
- 3 orders shall include all of the following:
- 4 a. Authorization for the food delivery platform to take
- 5 and arrange for the delivery and pickup of orders from the 6 restaurant.
- 7 b. Clear identification of any fee, commission, or charge 8 that the restaurant will be required to pay or absorb.
- 9 4. An agreement between a food delivery platform and a
- 10 restaurant to take and arrange for the delivery or pickup of
- 11 orders shall not include provisions, clauses, or covenants that
- 12 require a restaurant to indemnify a food delivery platform,
- 13 or any employee, independent contractor, or agent of the food
- 14 delivery platform, for any damages or harm caused by the
- 15 actions or omissions of the food delivery platform or any
- 16 employee, independent contractor, or agent of the food delivery
- 17 platform.
- 18 5. a. A provision of an agreement between a food delivery
- 19 platform and a restaurant, or the obtaining of consent, that is
- 20 contrary to this chapter is void and unenforceable.
- 21 b. An aggrieved restaurant or the attorney general may seek
- 22 judicial enforcement of the requirements of this chapter in an
- 23 action brought against a food delivery platform in the county
- 24 in which the violation occurred. The following civil penalties
- 25 shall be imposed for a violation of this chapter:
- 26 (1) A one thousand dollar penalty for a first violation.
- 27 (2) A two thousand five hundred dollar penalty for a second 28 violation.
- 29 (3) A ten thousand dollar penalty for a third and subsequent 30 violation.
- 31 6. a. The attorney general or a restaurant may, in addition
- 32 to penalties imposed pursuant to subsection 5, bring an action
- 33 to enjoin a violation of this chapter. If the court finds a
- 34 violation of this chapter, the court shall issue an injunction
- 35 against a food delivery platform and may require the platform

- 1 to pay to the injured restaurant all profits derived from, or
- 2 damages resulting from, the wrongful acts and order that the
- 3 wrongful acts be terminated.
- 4 b. If the court finds that the food delivery platform
- 5 committed a wrongful act in bad faith in violation of this
- 6 chapter by not entering into an agreement or obtaining consent,
- 7 the court, in the court's discretion, shall:
- 8 (1) Enter a judgment in an amount not to exceed three times
- 9 the amount of profits and damages.
- 10 (2) Award reasonable attorney's fees to the restaurant.
- 11 Sec. . NEW SECTION. 137G.3 Food safety liability.
- 12 l. Orders delivered through a food delivery platform shall
- 13 be transported in a manner that meets all of the following
- 14 requirements:
- 15 a. The order shall be maintained at a holding temperature
- 16 necessary to prevent spoilage.
- 17 b. All bags or containers in which orders are being
- 18 transported or delivered from a restaurant to a customer shall
- 19 be closed or sealed by the restaurant with a tamper-resistant
- 20 method.
- 21 c. The individual delivering orders shall not have any
- 22 passengers, including animals or children when orders for
- 23 delivery are being transported in the vehicle, except for
- 24 one adult passenger not engaging in payment for ride-share
- 25 services.
- 26 d. Smoking or vaping in the vehicle while orders are in the
- 27 vehicle shall be prohibited.
- 28 2. A food delivery platform transporting orders shall be
- 29 liable for any harm or injury caused by a failure by the food
- 30 delivery platform to meet the requirements of this chapter.
- 31 Sec. . APPLICABILITY. This division of this Act applies
- 32 to agreements entered into between a restaurant and a food
- 33 delivery platform on or after the effective date of this Act.>
- 34 10. Title page, line 1, after <Act> by inserting <concerning</p>

md

35 the regulation of food and beverages,>

- 1 11. Title page, line 1, by striking ensing,> and
- 2 inserting <delivery of restaurant food,>
- 3 12. Title page, line 2, after <fees> by inserting <and civil
- 4 penalties>
- 5 13. Title page, line 2, after <date> by inserting <and
- 6 applicability>
- 7 14. By renumbering as necessary.